

APPENDIX

**In the District Court of the United States for the
Northern District of West Virginia**

Westinghouse Electric & Manu- facturing Company, Plaintiff, v. BullDog Electric Products Com- pany, Defendant.	}	Civil Action File No. 229-W
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This day, the Court having considered the three motions* heretofore submitted is of opinion that said motions should be held in abeyance awaiting a final decision of the case now pending in the District Court for the Eastern District of New York involving the same parties and a part of the same questions, that case having been instituted prior to the case in this district.

IT IS THEREFORE ORDERED that all proceedings in this action be and the same are hereby stayed, pending a final determination of the action in the Eastern District of New York, in which BullDog Electric Products Company is plaintiff and Westinghouse Electric & Manufacturing Company, et al., are defendants.

ENTER: March 2, 1945.

W. E. BAKER,
U. S. District Judge.

* (By Counsel) 1. A motion by Westinghouse to dismiss BullDog's counterclaim in West Virginia, and to enjoin BullDog from proceeding on it in West Virginia. 2. A motion by BullDog to enjoin Westinghouse from proceeding in New York on its counterclaim there. 3. A motion by Westinghouse to strike certain paragraphs from BullDog's answer, in West Virginia, and for particulars regarding that answer.

(13)

FILED

MAR 22 1945

CHARLES ELMORE GROPLEY
CLERK

Supreme Court of the United States

OCTOBER TERM, 1944

No. 912

BULLDOG ELECTRIC PRODUCTS Co.,
Petitioner,
against

WESTINGHOUSE ELECTRIC AND MANUFACTURING COMPANY,
Respondent.

MEMORANDUM FOR RESPONDENT IN OPPOSITION TO PETITION FOR REHEARING

DRURY W. COOPER,
VICTOR S. BEAM,
THOMAS J. BYRNE,
Counsel for Respondent.



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Since petition for rehearing of petitioner's petition for writ of certiorari was served upon us on March 17, 1945, it seems fitting that a reply be submitted. The petition for certiorari was denied on March 12, 1945.

The Petition for Writ of Certiorari

The petition for writ of certiorari was tendered with respect to a counterclaim interposed by respondent under the Declaratory Judgment Act (Section 274d of the Judicial Code; 28 U. S. C. A. § 400), which averred that patent of petitioner, No. 2,285,770, is invalid or not infringed by respondent. Petitioner had notified respondent of its patent and declared that certain claims thereof were infringed by the "Multi-Breaker" circuit breaker constructions of respondent; but no action had been brought by petitioner against respondent for infringement of that patent.

Issue was joined by the reply with respect to all proper issues under said counterclaim; but, on respondent's motion, the District Court struck from the reply certain provisions which sought to raise against respondent the issue of unclean hands.

Respondent is in full effect the defendant under the action tendered by its counterclaim. Respondent does not present for determination any right with which it is vested. It is not suing in this action upon any of its letters patent. It is simply defending against a patent owned and asserted by petitioner.

Unclean hands as a defense to an action brought by a party may be maintained *only* where the unclean hands "has *immediate and necessary relation to the equity that he* [the plaintiff] *seeks in respect of the matter in litigation*".

Keystone Driller Co. v. General Excavator Co., 290
U. S. 240 at 245.

Obviously, respondent's alleged unclean hands with reference to its own patents has no such relation to its suit to nullify one of ~~respondent's~~ patents.

petitioner's

The Petition for Rehearing

The petition for rehearing is predicated upon an order which was entered in an action brought by respondent against petitioner in the District Court of the United States for the Northern District of West Virginia for infringement of several letters patent, Civil Action File No. 229-W, which order stayed all proceedings in said West Virginia action pending determination of the action, under the counterclaim, which is the subject of the instant motion for rehearing of petition for writ of certiorari.

Summary of Argument

1. The defense of alleged unclean hands of respondent is not available to petitioner in this action.

2. There is no justification in fact or in law for the grant of the petition and no useful purpose would be served thereby.

Argument

I

The defense of alleged unclean hands of respondent is not available to petitioner in this action.

The fact that the District Court of the United States for the Northern District of West Virginia stayed the action pending before it and which was brought by respondent against petitioner for infringement of letters patent of respondent "pending a final determination" of the action—the counterclaim in Eastern District of New York—presently before this Court, is not helpful to petitioner. Petitioner is asserting rights under its patents and seeks adjudication thereof. Any unclean hands of respondent with respect to its own patents made the basis of the West Virginia action may be tendered therein, but the defense is not proper in the action in the Eastern District of New York wherein respondent asserts that a patent owned by petitioner is invalid or not infringed.

See

Keystone Driller Co. v. General Excavator Co., 290
U. S. 240 at 245.

The stay of the West Virginia action merely postpones adjudication of the issues in that action. Petitioner is not affected injuriously by the stay with reference to anything.

in the New York case. On the other hand, petitioner is favored for the reason that it may continue its invasion of the rights of respondent asserted in the West Virginia case until the action may be tried and determined.

II

There is no justification in fact or in law for the grant of the petition and no useful purpose would be served thereby.

The stay of the West Virginia action does not affect any right or defense of petitioner. It merely results in postponement of adjudication with respect to any proper defense that petitioner may present.

The decision in *Frank Adam Electric Company v. Westinghouse Electric & Manufacturing Company*, 64 U. S. P. Q. 147, referred to by petitioner, is not helpful to it. In that action respondent sued Frank Adam Electric Company for infringement of letters patent and any unclean hands of respondent with respect to its letters patent sued upon in that action may, according to that decision, be tendered for determination, because respondent is seeking adjudication of its rights under letters patent. The situation therein is not the same as in the case at bar wherein respondent is in legal effect defendant with respect to plaintiff's patent No. 2,285,770.

In petitioner's brief which accompanied its petition for writ of certiorari it is stated (p. 6):

"We do not seek, at this time, permission to examine and determine the conduct of Westinghouse.

* * * * *

"By its Reply in New York, BullDog seeks merely the right to make the New York Courts aware of the Westinghouse monopoly and illegal dominance in the circuit breaker business in order that the New York

Courts understand and appreciate the effect on the public of the attack by Westinghouse against the Bulldog patent and Bulldog's use of it." (Emphasis ours.)

Petitioner now argues (p. 3) that it

"intended to offer the evidence obtained in the West Virginia action in defending itself against the New York counterclaim, even though Bulldog assumed that the New York Court would probably refuse such offer."

Nothing of substance is offered by this argument. It is merely a restatement of the desire "to make the New York Courts aware of the ~~Westinghouse~~ monopoly".

Conclusion

It is submitted that the petition for rehearing should be denied.

DRURY W. COOPER,
VICTOR S. BEAM,
THOMAS J. BYRNE,
Counsel for Respondent.